

August 9, 2011

M S Bar, Inc.
Michael Stafford, President/Director/Stockholder
Samuel Stafford, Secretary/Director/Stockholder
dba **CINNABAR (F-COM)**
121 NE 3rd Street
Prineville, Oregon 97754

CERTIFIED and REGULAR MAIL

**NOTICE OF REMOVAL FROM RESPONSIBLE VENDOR PROGRAM AND
PROPOSED LICENSE SUSPENSION / CIVIL PENALTY**

Pursuant to ORS 471.315(1)(a)(A), the Commission may cancel or suspend your license or assess a civil penalty for any violation. Pursuant to OAR 845-009-0135(8)(d), the Commission shall remove you from the Responsible Vendor Program for a Category II violation. The Public Safety Program proposes that the Commission remove you from the Responsible Vendor Program and suspend your license for 76 days for the violations that follow. Licensee may pay a civil penalty of \$1,980.00 in lieu of 12 days with the remaining 64 days of the suspension mandatory.

Violation Number One

On March 31, 2011, Corporate Principal Michael Stafford denied entrance to the licensed premises during regular business hours to a Prineville Police Department officer who wanted to enter to conduct a reasonable search to ensure compliance with liquor laws. This is a violation of OAR 845-006-0345(4)(a).

Violation Number Two

On March 31, 2011, Corporate Principal Michael Stafford was under the influence of intoxicants while on duty at Cinnabar. This is a violation of OAR 845-006-0345(1).

Violation Number Three

On February 19 and 20, 2011, Licensee's employee Kristina Martin permitted a minor, Jose Nunez, to drink alcoholic beverages on the licensed premises. This is a violation of OAR 845-006-0335(3)(a).

Alternate Violation Number Three

On February 19 and 20, 2011, Licensee's employee Kristina Martin permitted a minor, Jose Nunez, to be on the licensed premises or in an area of the licensed premises prohibited to minors. This is a violation of OAR 845-006-0335(3)(b).

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DETERMINING THE PENALTY

OAR 845-006-0500 defines Violations Number One and Two as Category II violations and recommends a 30-day suspension for the first violation and license cancellation for the second violation of this type within two years. OAR 845-006-0500(7)(a)(B), (7)(b), and Exhibit 1 to OAR 845-006-0500(7). These are your first and second.

OAR 845-009-0135(8)(d) requires that a licensee be removed from the Responsible Vendor Program for a Category II violation. Violations Number One and Two are Category II violations.

OAR 845-006-0500 defines Violation Number Three as a Category III violation and sets a 10-day suspension or a \$1,650.00 civil penalty for the first violation of this type within two years. OAR 845-006-0500(7)(a)(D), (7)(b), and Exhibit 1 to OAR 845-006-0500(7). This is your first.

If the Commission finds aggravating or mitigating circumstances, it may assess a greater or lesser sanction than that listed in the administrative guidelines.

Aggravating Circumstances

Corporate Principal Michael Stafford was personally involved in Violations Number One and Two. The Public Safety Program proposes that the Commission aggravate the sanction for an additional four days for these circumstances.

In Violation Number Three the minor drank multiple alcoholic beverages. The Public Safety Program proposes that the Commission aggravate the sanction for an additional two days for this circumstance.

The Public Safety Program proposes that the Commission aggravate the sanction a total of six days.

Circumstances in Your Favor

Violations Number One and Two will be charged at the first level because they were discovered concurrently.

PROPOSED PENALTY

The Public Safety Program proposes that the Commission remove you from the Responsible Vendor Program and suspend your license for 76 days for the violations listed above. Licensee may pay a civil penalty of \$1,980.00 in lieu of 12 days with the remaining 64 days of the suspension mandatory.

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If a licensee's interest in the license should expire or be transferred before the Commission issues a final order, the Public Safety Program recommends that under the authority of ORS 471.030, 471.040, 471.313, and 471.730 the Commission issue the licensee a Letter of Reprimand. This reprimand will become a permanent part of the licensee's Commission file and would be considered in any future application for a liquor license by the licensee.

RESPONSIBILITY FOR VIOLATION

"Licensee" is defined as including the principal officers and directors of a corporation and stockholders who own or control 10% or more of any class of stock (OAR 845-006-0301 and OAR 845-006-0475(1)(d)). Therefore, the licensee includes Michael Stafford, President/Director/Stockholder, and Samuel Stafford, Secretary/Director/Stockholder of M S Bar, Inc. Additionally, M S Bar, Inc. is responsible for the acts and omissions of its employees and representatives in violation of any law affecting license privileges (OAR 845-006-0362).

HEARINGS RIGHTS

You have the right to a hearing to dispute the charges, removal from the Responsible Vendor Program, or the proposed suspension and/or civil penalty. If you want a hearing, please sign and date the enclosed form and return it to the address listed on the form by 5:00 PM on September 8, 2011. Legal aid organizations may be able to assist a party with limited financial resources. Individuals may be represented by an attorney. **Per OAR 137-003-0550, corporations must be represented by an attorney.**

Hearings are conducted by the Office of Administrative Hearings under the jurisdiction of the Oregon Liquor Control Commission, according to the Administrative Procedures Act (ORS Chapter 183), Attorney General's Rules for the Office of Administrative Hearings (OAR Chapter 137) and Commission Administrative Rules (OAR Chapter 845 Division 03).

If you do not request a hearing within the time specified above, you will have waived the right to a contested case hearing. If you do not request a hearing, or if you request a hearing and then withdraw your request, a final order by default will be issued by the Commission Administrator. If you fail to appear at a scheduled hearing, a final order by default will be issued by either the Administrative Law Judge or the Commission Administrator, as authorized by OAR 845-003-0670. In each of these instances, the Commission will designate its file or files in this matter, including all materials you have submitted, as part or all of the record supporting its final order by default.

Once a final order by default is issued, you must serve the suspension and/or pay the civil penalty as specified below.

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SERVING THE SUSPENSION / PAYING THE CIVIL PENALTY

If you choose to pay the \$1,980.00 civil penalty and serve the 64-day suspension, mail or bring your payment to the Oregon Liquor Control Commission, Attention Cashier, at the above address before 5:00 PM on October 18, 2011. The 64-day suspension will begin at 7:00 AM on October 23, 2011 and end at 7:00 AM on December 26, 2011.

If you choose to serve the 76-day suspension, it will begin at 7:00 AM on October 23, 2011 and end at 7:00 AM on January 7, 2012.

OREGON LIQUOR CONTROL COMMISSION

Anna L. Davis

Administrative Policy & Process Division

If you have any questions call 503-872-5128 or 800-452-6522, x5128.

CERTIFICATE OF SERVICE

I certify that on August 9, 2011, I served the attached Notice of Removal from Responsible Vendor Program and Proposed License Suspension / Civil Penalty by certified mail, in a sealed envelope, with first class postage prepaid and by regular mail, in a sealed envelope, with first class postage prepaid, addressed as follows:

M S Bar, Inc.
Michael Stafford, President/Director/Stockholder
Samuel Stafford, Secretary/Director/Stockholder
dba **CINNABAR**
121 NE 3rd Street
Prineville, Oregon 97754

On the same date I also served Licensee's registered agent by regular mail, in a sealed envelope, with first class postage prepaid, addressed as follows:

M S Bar, Inc.
c/o Michael Stafford, **Registered Agent**
4411 NW Elliott Lane
Prineville, Oregon 97754

Karen Maia
Administrative Specialist
Administrative Policy & Process Division
OREGON LIQUOR CONTROL COMMISSION